

Message Text

UNCLASSIFIED

PAGE 01 PORT O 00147 181439Z

46

ACTION EB-11

INFO OCT-01 AF-10 ARA-16 EUR-25 EA-11 NEA-10 ISO-00 IO-14

AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-02 H-03

INR-10 INT-08 L-03 LAB-06 NSAE-00 NSC-10 PA-04 RSC-01

AID-20 CIEP-02 SS-20 STR-08 TAR-02 TRSE-00 USIA-15

PRS-01 SPC-03 FEA-02 OMB-01 FPC-01 SCI-06 AEC-11

DRC-01 /260 W

----- 014209

P 181330Z JAN 74

FM AMEMBASSY PORT OF SPAIN

TO SECSTATE WASHDC PRIORITY 5959

INFO USINT ALGIERS

AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY BRIDGETOWN

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMEMBASSY LA PAZ

AMEMBASSY LONDON

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY MEXICO CITY

AMEMBASSY PARIS

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY QUITO

AMEMBASSY VIENNA

USINT BAGHDAD

USLO PEKING

USMISSION USUN

AMCONSUL BELIZE

AMCONSUL HONG KONG

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PORT O 00147 181439Z

UNCLAS PORT OF SPAIN 147

E.O. 11652: N/A

TAGS: ENRG, PFOR, TD, XL, XM,\$6*, XE

SUBJ: ENERGY-TRINIDAD TO ACQUIRE PARTICIPATION IN TEXACO

REF: POS 006; POS 1663 (NOTAL)

SUMMARY

IN THE LATEST OF HIS PERIODIC REPORTS TO THE NATION ON THE ENERGY SITUATION (REFTELS), PLFME MINISTER ERIC WILLIAMS ANNOUNCED THAT THE GOTT HAS REACHED "AGREEMENT IN PRINCIPLE" FOR GOVERNMENT PARTICIPATION IN TEXACO TRINIDAD INC. HE ALSO CONFIRMED EARLIER REPORTS THAT HE HAS APPROACHED AN UNIDENTIFIED MIDDLE EAST NATION EITHER TO HELP CONSTRUCT A NEW REFINERY IN TRINIDAD, OR TO SUPPLY TRINIDAD WITH CRUDE SUBJECT TO ANY STIPULATIONS THE SUPPLIER NATION MAY CARE TO MAKE. WILLIAMS SAID THAT THE GOTT WILL GIVE PRIORITY TO DEVELOPMENT OF DOMESTIC INDUSTRIES TO UTILIZE TRINIDAD'S NATURAL GAS RESOURCES, AND IF AGREEMENT IS REACHED ON ANY LNG EXPORT PROJECT, THE GOTT WILL INSIST UPON MAJORITY PARTICIPATION IN THE LIQUEFYING PLANT AND AN OPTION FOR MINORITY OWNERSHIP OF THE LNG TANKERS. FINALLY, THE PRIME MINISTER ANNOUNCED YET A THIRD GOTT MISSION ON OIL MATTERS (THE FIRST TWO ARE TO VISIT NEAR EAST AND LATIN AMERICAN NATIONS), THIS ONE TO VISIT EUROPEAN NATIONS, JAPAN, INDONESIA AND THE PEOPLE'S REPUBLIC OF CHINA. END SUMMARY.

1. IN A JANUARY 17 SPEECH TO THE NATION, PRIME MINISTER WILLIAMS REFERRED TO THE ALREAD-ANNOUNCED GOTT MISSIONS TO OIL PRODUCING NATIONS (POS 1663), AND SAID THAT HIS CLOSE ADVISER DODDRIDGE ALLEYNE HAD JUST RETURNED FROM CARACAS WHERE HE DISCUSSED THE FORTHCOMING TRIP WITH AMBASSADORS FROM MIDDLE EAST STATES. ONE RESULT OF ALLEYNE'S TRIP IS THAT IRAQ AND TRINIDAD HAVE AGREED TO ESTABLISHE DIPLOMATIC RELATIONS, WITH NON-RESIDENT AMBASSADORS TO BE ACCREDITED. NO FURTHER DETAILS WERE ANNOUNCED REGARDING THIS TRIP. THE MISSION TO LATIN AMERICA WILL BE HEADED BY FINANCE MINISTRY PERMANENT SECRETARY FRANK RAMPERSAD, AND UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PORT O 00147 181439Z

WILL VISIT VENEZUELA, COLOMBIA, MEXICO, ECUADOR, BOLIVIA, BRAZIL AND ARGENTINA. WILLIAMS OBLIQUELY NOTED THAT "MANY JOINT INVESTMENT PROJECTS ARE BEING DISCUSSED" WITH THE GOVERNMENT OF BRAZIL BY THE GOTT.

2. A THIRD MISSION--TO BE HEADED BY ECONOMIC ADVISOR EUGENIO MOORE--IS TO BE DISPATCHED TO VISIT EURIPE, JAPAN, AND OTHER CONSUMER NATIONS. THIS TEAM WILL ALSO VISIT,

ACCORDING TO WILLIAMS, "TWO IMPORTANT FAR EAST OIL PRODUCERS,"
INDONESIA AND THE PEOPLE'S REPUBLIC OF CHINA.

3. THE PRIME MINISTER SAID THAT TRINIDAD IS PAYING SPECIAL ATTENTION
TO THE SERIOUS PROBLEMS FACED BY ITS CARIFTA PARTNERS DUE TO RISING
PETROLEUM PRICES. HE ALSO LIKENED TRINIDAD'S SITUATION IN THE
CARIBBEAN TO THAT OF VENEZUELA IN LATIN AMERICA AND NIGERIA IN AFRICA

WITHOUT PROPOSING ANY COURSE OF ACTION, WILLIAMS SAID
THE GOTT IS WATCHING THE POSITION OF THE LARGE OIL
PRODUCERS (REGARDING PRICE POLICY TOWARD DEVELOPING
NATIONS) AND CITED OPEC'S ATTEMPTS TO LINK OIL PRICES
WITH PRICE LEVELS OF GOODS PRODUCED BY THE INDUSTRIALIZED
NATIONS.

4. TURNING TO THE SUBJECT OF GOVERNMENT PARTICIPATION IN THE
OIL INDUSTRY, WILLIAMS NOTED THAT THIS IS AN INCREASING
TREND IN BOTH CONSUMING AND PRODUCING NATIONS, AND SAID
THAT THE GOTT WILL ESTABLISH A PERMANENT WORKING GROUP
OF SENIOR OFFICIALS TO ADVISE CABINET ON OIL POLICY.
INDIRECTLY RESPONDING TO THOSE WHO HAVE URGED THE GOTT TO
NATIONALIZE ALL OR PART OF THE PETROLEUM INDUSTRY IN
TRINIDAD, WILLIAMS CITED THE EXAMPLE OF THE CUBAN SUGAR
INDUSTRY AS EVIDENCE THAT GOVERNMENTS IN DEVELOPING NATIONS
CANNOT PERFORM AS WELL AS PRIVATE ENTERPRISE WHEN THEY TAKE
OVER AN ENTIRE INDUSTRY.

5. THE PRIME MINISTER OUTLINED THE GOTT'S POLICY ON GOVERNMENT
PARTICIPATION AS FOLLOWS: (A) IT WILL EXTEND THROUGHOUT THE
ENTIRE PETROCHEMICAL INDUSTRY, ALL ASPECTS OF THE OIL INDUSTRY,
AND WILL INCLUDE INDUSTRIAL CONSUMERS OF TRINIDAD'S NATURAL GAS
RESOURCES. WILLIAMS SAID THAT THE CANCELLATION OF THE AMOCO-
NATURAL GAS PIPELINE CO. LNG CONTRACT (POS 0071) WILL INVOLVE
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 PORT O 00147 181439Z

"NO LOSS" TO THE TRINIDAD ECONOMY. THE GOTT WILL NOW GIVE
PRIORITY IN DEVELOPING ANTURAL GAS RESOURCES TO DOMESTIC PLANS
FOR INDUSTRIAL DIVERSIFICATION, SUCH AS AN ALREADY-
AGREED-UPON ADDITIONAL LIQUID AMMONIA PLANT (WITH
50 PERCENT GOTT PARTICIPATION) AND A STEEL MILL USING
IMPORTED ORE, ON WHICH NEGOTIATIONS ARE STILL UNDERWAY.
(B) THE GOTT WILL ALSO CONCENTRATE UPON DERIVING MAXIMUM
REVENUE FROM THE EXPLOITATION OF NATURAL GAS. (C) TO THE
EXTENT THAT ANY OF TRINIDAD'S NATURAL GAS IS EXPORTED,
THE GOTT WILL INSIST UPON MAJORITY SHAREHOLDING IN A
LIQUEFYING PLANT AND AN OPTION FOR MINORITY GOTT PARTICI-
PATION IN OWNERSHIP OF THE LNG TANKERS.

6. WILLIAMS ALSO ANNOUNCED THAT AGREEMENT HAS BEEN REACHED
"IN PRINCIPLE" FOR GOTT PARTICIPATION IN TEXACO TRINIDAD INC.

THE PRIME MINISTER SAID HE HAD PERSONALLY SUBMITTED TWO PROPOSALS TO AN UNNAMED MIDDLE EAST GOVERNMENT: 1) THAT THE TWO GOVERNMENTS UNDERTAKE A JOINT VENTURE TO CONSTRUCT A NEW REFINERY IN TRINIDAD, WITH DESTINATION OF REFINED PRODUCTS SUBJECT TO APPROVAL BY BOTH GOVERNMENTS; 2) THAT THE GOVERNMENT SHOULD SUPPLY TRINIDAD WITH ENOUGH CRUDE TO MAKE UP THE DROP IN TEXACO'S REFINERY THROUGHPUT DUE TO THE ARAB BOYCOTT. PRODUCTS FROM THIS CRUDE WOULD BE SUBJECT TO ANY STIPULATIONS THAT EITHER GOVERNMENT MIGHT WISH TO MAKE. WILLIAMS SAID THAT TEXACO HAS ALREADY AGREED TO PROCESS CRUDE SUBJECT TO THESE CONDIDTIONS, AND NOTED THAT TEXACO HAS THUS FAR COOPERATED WITH THE GOTT BY MAINTAINING REFINERY EMPLOYMENT BY ADVANCING ITS MAINTENANCE SCHEDULE.

MOFFAT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM INDUSTRY, PRIME MINISTER, PETROLEUM, NATIONALIZATION, ECONOMIC CONDITIONS, SPEECHES, PRICES, PETROLEUM REFINING
Control Number: n/a
Copy: SINGLE
Draft Date: 18 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PORTO00147
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: PORT OF SPAIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740132/aaaabdohtel
Line Count: 183
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: POS 006; POS 1663 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 22 FEB 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 FEB 2002 by elbezefj>; APPROVED <30 APR 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ENERGY-TRINIDAD TO ACQUIRE PARTICIPATION IN TEXACO
TAGS: ENRG, PFOR, TD, XL, XM, XE
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005